



Health Services
LOS ANGELES COUNTY

December 16, 2008

**Los Angeles County
Board of Supervisors**

Gloria Molina
First District

Mark Ridely-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

John F. Schunhoff, Ph.D.
Interim Director

Robert G. Splawn, MD
Interim Chief Medical Officer

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: (213) 240-8101
Fax: (213) 481-0503


www.dhs.lacounty.gov

*To improve health
through leadership,
service and education.*



www.dhs.lacounty.gov

TO: Each Supervisor

FROM: John F. Schunhoff, Ph.D. 
Interim Director

SUBJECT: DHS RISK MANAGEMENT STRUCTURE

This memo is to update your Board regarding plans to create a more effective risk management structure within the Department of Health Services (DHS). The proposed organization will allow DHS to better manage its employee safety and loss prevention programs resulting in lower overall costs.

In July 2008, as part of a review of DHS administrative processes, I requested the Chief Executive Office (CEO) Risk Management Branch to evaluate the DHS risk management structure compared to other departments, other health systems, and industry best practices. The CEO's report, attached, recommends that DHS consolidate its separate employee risk related functions into one organization focused on developing effective risk management processes across the entire department. This organization will consolidate management of employee safety, workers compensation, return-to-work, employment related litigation, and related programs.

The new DHS risk manager position also will be responsible for reviewing Corrective Action Plans (CAPs) and ensuring their system-wide implementation. As currently proposed, DHS does not plan to consolidate patient safety or medical malpractice claims management into the new organization, as these functions are now managed by the DHS Quality Improvement and Patient Safety Program. However, we will evaluate further consolidations after the new risk management organization is staffed and operational.

DHS met with the CEO's Classification/Compensation staff on December 12, 2008, to request priority review of this proposal. Following this review, we will seek immediate CEO approval to begin hiring these positions and implement the new organization.

If you have any questions, please let me know.

JFS:jj

Attachment

c: Chief Executive Officer
Executive Officer, Board of Supervisors




WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles
CHIEF EXECUTIVE OFFICE
Risk Management Branch

3333 Wilshire Boulevard, Suite 820, Los Angeles, California 90010
(213) 351-5346 • Fax (213) 252-0405
<http://ceo.lacounty.gov>

December 10, 2008

To: John Schunhoff, Ph.D., Interim Director
Department of Health Services

From: Rocky A. Armfield 
Assistant Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

DEPARTMENT OF HEALTH SERVICES RISK MANAGEMENT STRUCTURE REVIEW

The Department of Health Services (DHS) requested the Chief Executive Office (CEO) Risk Management Branch review DHS' current risk management structure and processes. The CEO also compared DHS to the risk management structure and processes of the departments of Internal Services and Public Works, and to a number of external healthcare providers comparable in exposures, size, and complexity to DHS.

At DHS' request, the review was not intended to serve as a compliance evaluation to the California Occupational Safety and Health Administration standards or a joint commission certification compliance assessment. In addition, the review's findings and recommendations do not address DHS' patient safety and clinical risk management processes (including medical malpractice claim management). Rather, the CEO focused on vehicle liability, general liability, and workers' compensation claim management; environmental, health and safety; return-to-work; and general risk management processes.

Based upon our findings, the CEO strongly urges DHS to expeditiously and fully implement the nine recommendations listed on page 13 of the attached review.

If you have any questions, please call me at (213) 351-5346, or John Sterritt of my staff at (213) 351-5357.

RAA:JS:sg

Attachment

c: Sheila Shima, Deputy Chief Executive Officer, Health and Mental Health Services
Ellen Sandt, Deputy Chief Executive Officer, Operations
Jim Jones, Administrative Deputy, Department of Health Services

I:\RMB Sec\R Armfield\M to Schunhoff - DHS Risk Mgt Structure Review 12-10-08.doc

"To Enrich Lives Through Effective And Caring Service"

**Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only**



Department of Health Services Risk Management Organizational Review Project

**Chief Executive Office
Risk Management Branch**

November 28, 2008

Table of Contents:

Section One:	Department of Health Services.....	1
Section Two:	Internal Services Department.....	12
Section Three:	Department of Public Works.....	15
Section Four:	Comparison of Risk Management Functions to Non-County Heath Services-related Organizations.....	19

Section One: Department of Health Services (DHS)

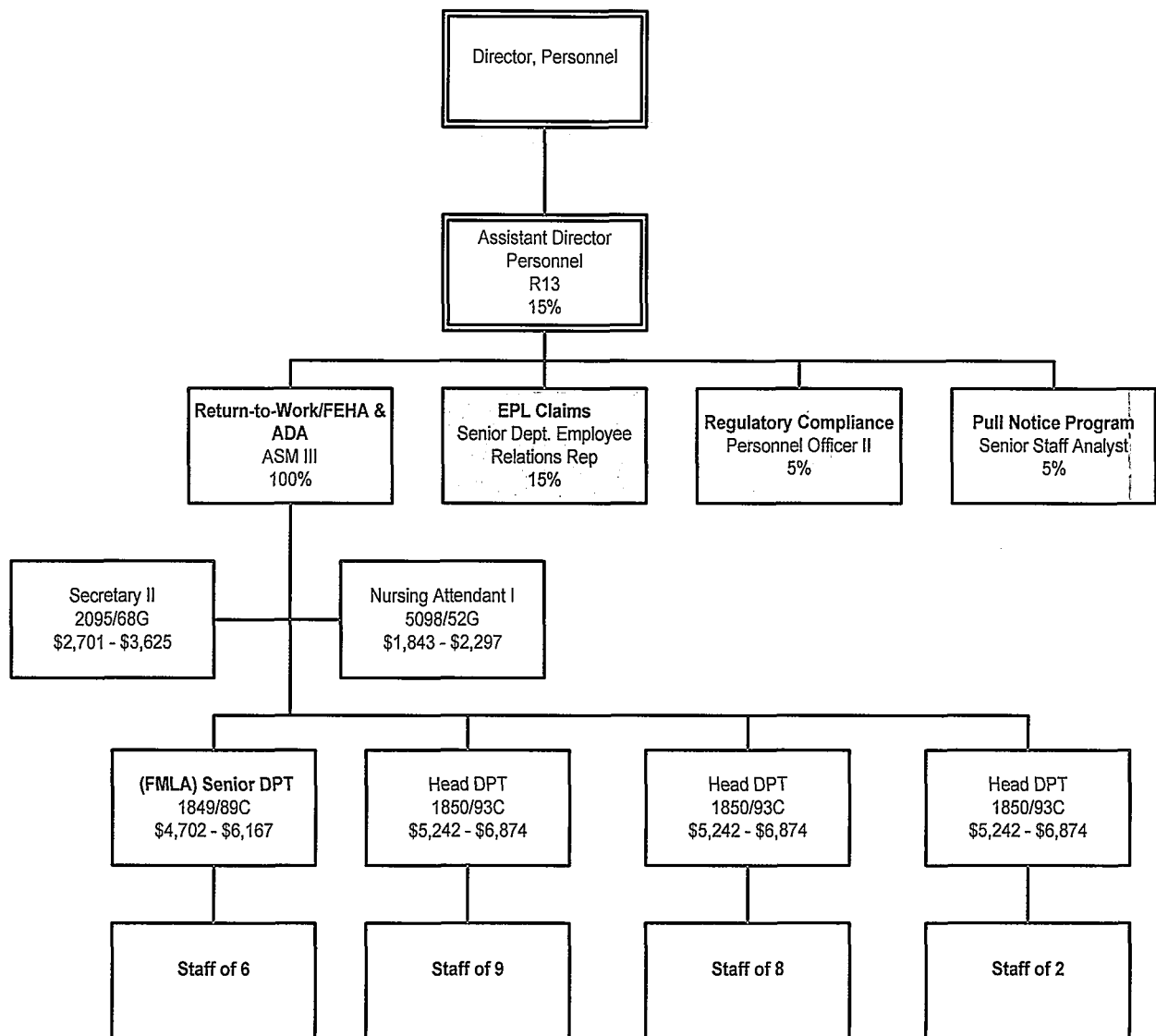
Current DHS Organizational Structure

Health Services Administration (HSA) Human Resources (HR)

Unit responsibility

1. Managing return-to-work function.
2. Employment practices liability (EPL) claim support/coordination.
3. Regulatory compliance (Joint Commission: new employee orientation/specific training related to the Environment of Care (EOC) section only).

Risk Management Responsibility (outlined in chart below)

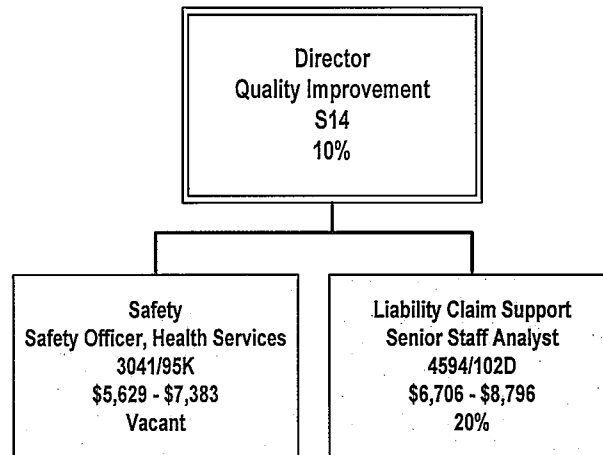


Quality Improvement Program (QIP)

Unit Responsibility

1. Clinical risk management and patient safety.
2. Patient Safety Net (PSN) database administration.
3. Medical malpractice claim management.
4. General and automobile liability claim support.
5. Occupational safety and health program support.

Non-Patient Safety/Medical Malpractice Claim Responsibility – Only



Functional Responsibility

(Non-patient safety/clinical risk management tasks currently performed)

Function	Scope
<u>Risk Manager</u> Director, Quality Improvement Programs (QIP), serves as the departmental Risk Management Coordinator	Function currently not staffed. Director of DHS QIP provides support on issues related to automobile and general liability, when necessary.
Environmental, Health and Safety (EH&S)	Function not currently staffed. Salary classification study underway by the CEO. <u>Tasks currently supported by DHS HR</u> <ul style="list-style-type: none"> Salary and classification analyst currently administers the department vehicle pull notice program. New employee orientation/training for EOC program.
Return-to-Work/FEHA/ADA	<u>Tasks currently supported by DHS HR</u> <ul style="list-style-type: none"> Implement and manage return-to-work case management (non-industrial) programs. Implement and manage return-to-work case management (industrial) programs. Implement, manage, and coordinate interactive process meetings. Implement and manage programs to ensure FEHA compliance. Implement and manage programs to ensure ADA compliance.
Claims	<p><u>Liability supported by DHS QIP (general, automobile, and employment practices)</u></p> <ul style="list-style-type: none"> Provide general liability (premise, third party, and employment) claim management program support. Provide automobile liability claim management program support. Serve as liaison with County Counsel, Third Party Administrator (TPA), and CEO staff, related to general and automobile liability claims. Represent department at Claims Board meetings and roundtables. Responsible for departmental input related to cost allocation process. Serve as liaison with facility risk managers for non-medical malpractice liability claim management issues. Reconcile and review billings for claims. Corrective Action Plan (CAP) development and management (general and automobile liability), and assesses the need for system-wide CAP issues. <p><u>Liability (employment practices) supported by DHS HR</u></p> <ul style="list-style-type: none"> Provide general liability (employment practices) claim management program support. Represent department at Claims Board meetings for employment practices liability claims. Serve as liaison with facility risk managers for employment practices claim management issues. Provide claim settlement authority and support of claim adjusting process. CAP development and management (employment practices liability). <p><u>Workers' compensation supported by DHS QIP</u></p> <ul style="list-style-type: none"> Provide claim settlement authority recommendations. Attend periodic claim review meetings. <p><u>Workers' compensation supported by DHS HR</u></p> <ul style="list-style-type: none"> Attend periodic workers' compensation claim reviews. Provide claim settlement authority recommendations. Interact with DHS HR's Return-to-Work staff for periodic claim support activity.
Operations	<u>Tasks currently supported by DHS QIP</u> <ul style="list-style-type: none"> Provide or facilitate training support to sites on risk management issues. Provide consultative support to sites for non-patient safety/medical malpractice risk management issues.

The following table outlines risk management-related functions supported by site-specific staff at each location.

Location	Number of Employees ¹	Safety Officer	Risk Manager	Facilities Management	Human Resources
LAC/USC	7,643	Occupational safety and health program management/EOC support	Medical malpractice and general liability claim support	Environmental program coordination	Employment practices liability claim support
Harbor-UCLA	3,983	Occupational safety and health program management/EOC support and hazardous waste management	Medical malpractice and general liability claim support	Environmental program coordination	Employment practices liability claim support
Olive View	2,303	Occupational safety and health program management/EOC support	Medical malpractice and general liability claim support	Environmental program coordination	Employment practices liability claim support
High Desert	496	Occupational safety and health program management/EOC support	Medical malpractice and general liability claim support	Environmental program coordination	Employment practices liability claim support
MLK	650	NA ²	Medical malpractice and general liability claim support	Environmental program coordination	Employment practices liability claim support
HSA	1,700	NA ²	NA ²	Environmental program coordination	Employment practices liability claim support
Other DHS operations	>1,000	NA ²	NA ²	Environmental program coordination	Employment practices liability claim support

1. Staff number is an approximate and does not include contractors.

2. The location currently does not have staff performing these functions on a full-time basis.

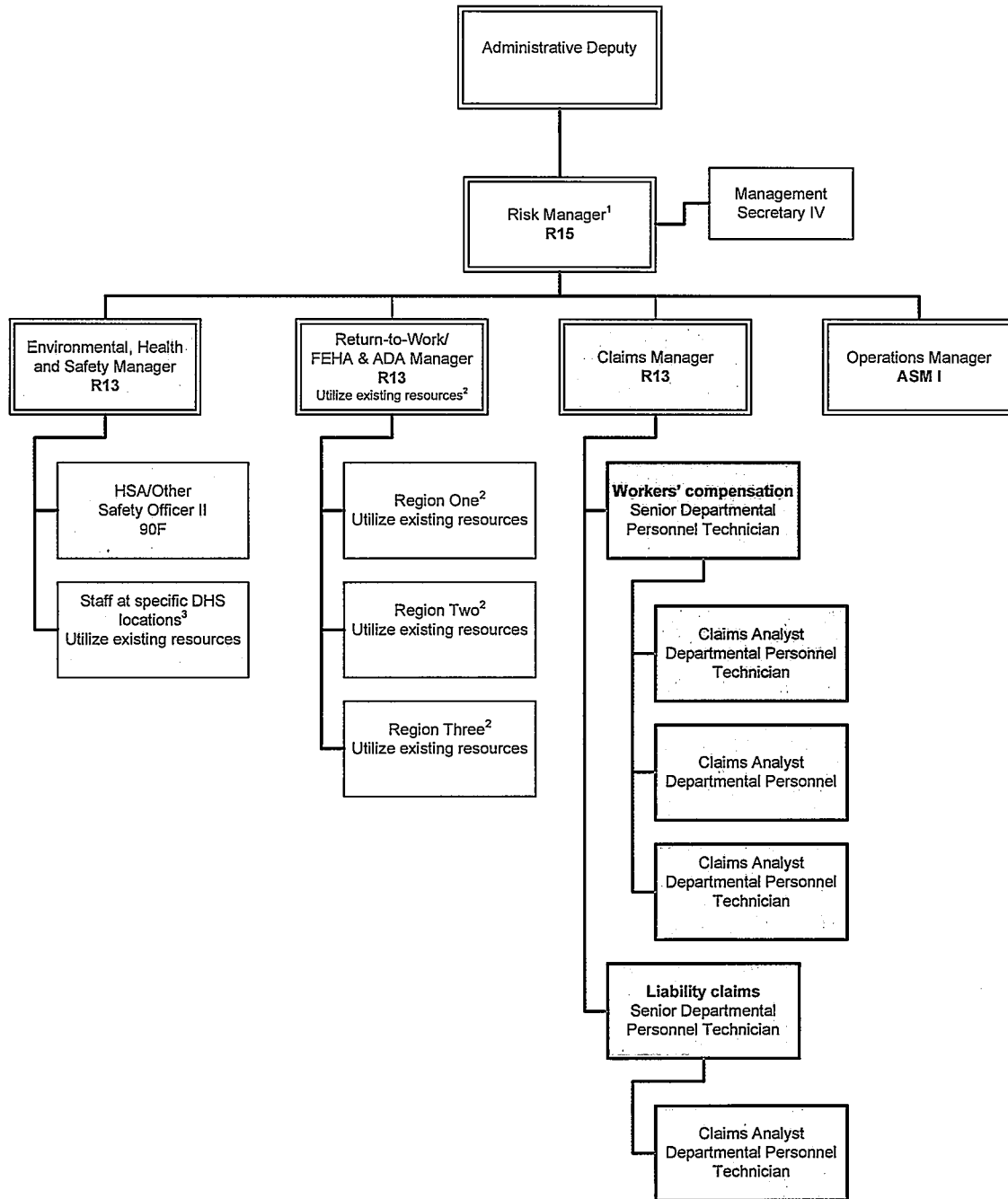
The following table illustrates current staffing for safety departments at the locations listed.

Location	Number of Employees ¹	Budgeted Items	Titles ^{2,3}	Comments
LAC/USC	7,643	6.0	Staff Assistant I Safety Assistant Safety Assistant Safety Inspector Senior Typist Clerk Head, Staff Services	The current safety officer is sitting on a Manager IV, Facility Operations and Crafts (Director Facilities Operations) and has additional responsibility other than safety. Senior Typist Clerk is vacant.
Harbor-UCLA	3,983	10.0	Health Physicist Health Physicist Intermediate Typist Clerk Safety Assistant Safety Assistant Lab Assistant Lab Assistant Radiation Protection Specialist Patient Resource Worker Hazardous Material Specialist I	The current safety officer is sitting on an Associate Hospital Administrator II item.
Olive View	2,303	3.0	Safety Assistant Safety Assistant Intermediate Clerk	The individual serving as the site safety officer presently holds a permanent position as the Director of Facility Operations for High Desert.
High Desert	496	1.0	Safety Assistant	Safety officer is the Facility Director and he is split between Olive View and High Desert. Safety Assistant item currently vacant.
MLK	650	6.0	Manager I, Facilities Op. and Crafts Manager I, Facilities Op. and Crafts Manager I, Facilities Op. and Crafts Manager I, Facilities Op. and Crafts Safety Assistant Hazardous Materials Spec. II	Safety Officer item was deleted from the budget. Will need to determine what the four "Manager I" items perform related to safety management. They are not performing safety-related tasks on a full-time basis.
HSA	1,700	1.0	Safety Officer, Health Services	One item is budgeted for HSA QIP, but has been vacant.
Other DHS operations	>1,000	0.0	0.0	No budget positions.

1. Staff number is an approximate and does not include contractors.
2. Items budgeted may not be filled or employee sitting on item is another classification. There is currently a CEO classification study, requested in 2006, to review these items. The list is to serve as a reference only, the information is based on a questionnaire drafted by DHS Classification and has not been independently verified.
3. Current staff responsibility may include patient safety and Title 22-related tasks; and other non-environmental, health and safety activity may be performed by the items listed. It is recommended that a comprehensive evaluation of roles and responsibilities of listed FTE's be conducted to better understand the current scope of work.

Recommended Organizational Structure for DHS

(Organization not reviewed/approved by CEO classification/compensation)



1. Position reports to Administrative Deputy or Department Director.
2. Return-to-Work unit has proposed staffing reclassification and new items under a separate study.
3. Environmental, Health and Safety staff at specific DHS sites (LAC/USC, Harbor-UCLA, etc.) will report to the centralized risk management section and will be indirectly managed by the sites. This report does not include a recommendation that Joint Commission and Title 22 responsibilities currently performed by affected staff be changed, removed or reassigned.

The following table outlines the recommended new items for the centralized risk management section.

Title	Schedule Level	Unit	Function
Risk Manager	R15	Administration	Manage new section
Management Secretary IV	84J	Administration	Support Risk Manager
Safety Officer II	90F	Environmental, Health and Safety	Provide Environmental, Health and Safety support for HSA/DHS other operations
Claims Manager	R13	Claims	Manage departmental claims operation (non-medical malpractice)
Senior Departmental Personnel Technician	89C	Liability Claims	Manage general liability claims
Departmental Personnel Technician	85C	Liability Claims	Adjust/investigate/coordinate liability claims
Senior Departmental Personnel Technician	89C	Workers' Compensation Claims	Manage workers' compensation claims
Departmental Personnel Technician	85C	Workers' Compensation	Adjust/investigate/coordinate workers' compensation claims
Departmental Personnel Technician	85C	Workers' Compensation	Adjust/investigate/coordinate workers' compensation claims
Departmental Personnel Technician	85C	Workers' Compensation	Adjust/investigate/coordinate workers' compensation claims
Operations Manager	ASM I	Risk Management Operations	Coordinate risk management activity not associated with claims and safety
Proposed changes to return-to-work unit ¹		Return-to-Work	Addition of 11 new items ¹

1. Return-to-Work unit has proposed staffing changes and new items under a separate study.

The following table outlines the recommended items that should be "the level of" for the new risk management section.

Original Item	Schedule Level	Recommended Item	Recommended Level of:
ASM III (Return-to-Work/ADA/FMLA Manager)	105A	Return-to-Work/ADA/FMLA Manager	R13
Safety Officer, Health Services	95K	Environmental, Health and Safety Manager	R13
Proposed changes to Return-to-Work unit ¹		Various items ¹	

1. Return-to-Work unit has proposed staffing changes and new items under a separate study.

Proposed Functional Responsibilities

(Does not include patient safety, clinical safety, and medical malpractice-related risk management issues)

Function	Measure	Scope	Comments
Risk Manager	<ul style="list-style-type: none"> Cost reduction Claim cost CAP/SCAP closure and CAP/SCAP quality 	<ul style="list-style-type: none"> Plan, lead, organize, and control department-wide risk management program. Manage staff. Develop goals, objectives, and strategic plans for various risk management processes/programs. Represent department for risk management issues. Implement and manage risk management quality assurance processes within division and department. Serve as departmental point-of-contact for all risk management-related issues. 	<p>This is a new position. The position will report to the Administrative Deputy or Department Director.</p>
Environmental, Health and Safety (EH&S)	<ul style="list-style-type: none"> OSHA incident rate OSHA citations Environmental citations Pounds of hazardous waste Number of environmental permits Cost in construction projects Number of drivers Number of vehicle accidents Number of employees 	<ul style="list-style-type: none"> Develop and implement employee safety and health programs. Ensure departmental compliance with California Occupational Safety and Health Administration (CalOSHA)/statutory requirements/Injury and Illness Prevention Plan (IIPP). Implement and manage programs to ensure OSHA 300 log/regulatory reporting. Implement and manage environmental, health and safety inspection programs. Implement and manage fleet safety (to include DOT and permittee driver) programs, including Pull Notice Program. Implement and manage construction safety programs. Implement and manage non-biological HAZMAT/hazardous waste management programs. Implement and manage environmental compliance and permitting programs. Implement and manage property loss prevention programs. Implement and manage third party loss control (non-patient issues) programs. Implement and manage environmental, health and safety audit and compliance programs. Implement and manage emergency preparedness and evacuation programs (when applicable). Implement and manage accident/incident investigation programs. Implement and manage bio-hazardous waste programs. Implement and manage risk control programs. Implement and manage programs to ensure compliance with environmental, health and safety EOC/Joint Commission and Title 22 requirements. 	<ul style="list-style-type: none"> The EH&S manager is a reclassification of the existing Safety Officer, Health Services item. The current model of operation is decentralized. There are 27.5 FTEs currently budgeted with EH&S responsibilities within the system. These positions will report directly to the new risk management section. This will be similar to the regional arrangement for the RTW/FEHA/ADA unit. HSA/Other Safety Officer I is a new position.
Return-to-Work/ FEHA/ADA	<ul style="list-style-type: none"> Number of employees Number of employees with industrial injuries Number of employees with non-industrial injuries Salary continuation benefits Number of employees on leave 	<ul style="list-style-type: none"> Implement and manage return-to-work case management (non-industrial) programs. Implement and manage return-to-work case management (industrial) programs. Implement, manage, and coordinate interactive process meetings. Implement and manage programs to ensure FEHA compliance. Implement and manage programs to ensure ADA compliance. 	<ul style="list-style-type: none"> ASM III is reclassified to an R13 item. Refer to return-to-work proposed staffing plan.

Proposed Functional Responsibilities (continued)

Function	Measure	Scope	Comments
Claims	<p><u>Liability</u></p> <ul style="list-style-type: none"> • Number of claims (AL/GL) • Cost of claims (AL/GL) • Number of litigated cases • Cost of litigation • Number of small claims • Number of property claims • Number of roundtables • GL/AL TPA performance score • Total cost <p><u>Workers' Compensation</u></p> <ul style="list-style-type: none"> • Cost of claims • Number of claims • Type of claims • Total cost • Number of litigated cases • WC TPA performance score 	<p><u>Liability</u></p> <ul style="list-style-type: none"> • Provide general liability (premise, third party, and employment) claim management program oversight. • Provide automobile liability claim management program oversight. • Provide small and property claim management (including patient property) oversight. • Implement and manage processes to ensure Small Claims Court case management. • Provide liability claim consultation and training to departmental staff. • Coordination of Risk Management Information System (RMIS). • Serve as liaison with County Counsel, CEO, and TPA staff. • Represent department at Claims Board meetings. • Represent department at roundtable and claim review meetings. • Responsible for cost allocation and allocation dispute resolution. • Serve as liaison with facility risk managers for non-medical malpractice liability claim management issues. <p><u>Workers' Compensation</u></p> <ul style="list-style-type: none"> • Provide workers' compensation claim management program oversight. • Serve as liaison for County Counsel/CEO and TPA staff. • Provide quality assurance support for medical case management activity. • Provide workers' compensation claim consultation and training to departmental staff. • Implement and manage departmental cost allocation processes. • Provide claim settlement authority and oversight of claim adjusting process. • Provide workers' compensation staff training. • Implement and manage workers' compensation programs. • Liaison with facility staff related to workers' compensation programs. • Provide cost containment direction. 	<ul style="list-style-type: none"> • These are new positions. • Recommend seven FTE's to manage program.
Operations	<ul style="list-style-type: none"> • Allocated cost by function • Property insurance cost • Property audit score • Insurance Budget cost • Workers' Compensation Trust Fund cost • County Counsel cost • Outstanding Board issues • CAP closure and effectiveness rate 	<ul style="list-style-type: none"> • CAP development and management. • Coordinate property insurance and property inspection program. • Implement and manage departmental cost allocation and financial expenditure oversight programs. • Implement and manage cost allocation and allocation dispute management programs. • Provide contract review and indemnification evaluations. • Implement and manage risk financing programs (working with CEO Risk Management Operations). • Implement and manage departmental Risk Management Inspector General functions. • Provide support and coordination of specific departmental risk management special projects. • Manage division budget. 	<p>This is a new position.</p>

Issues to consider

(Medical malpractice liability and patient safety processes are not included in the review)

- Department has approximately 19,000 FTE's and 6,600 contractors.
- Review did not consist of a detailed California Occupational Safety and Health Administration (CalOSHA) or Joint Commission process audit, but involved review of applicable records and interviews with appropriate DHS staff. The scope of the review and timeframe was limited and the report does not constitute a comprehensive evaluation/audit of all applicable departmental policies and programs.
- Prior to implementing recommended organizational changes, all issues and/or concerns related to the impact on patient safety, Joint Commission and Title 22 compliance will need to be evaluated.

Recommendations

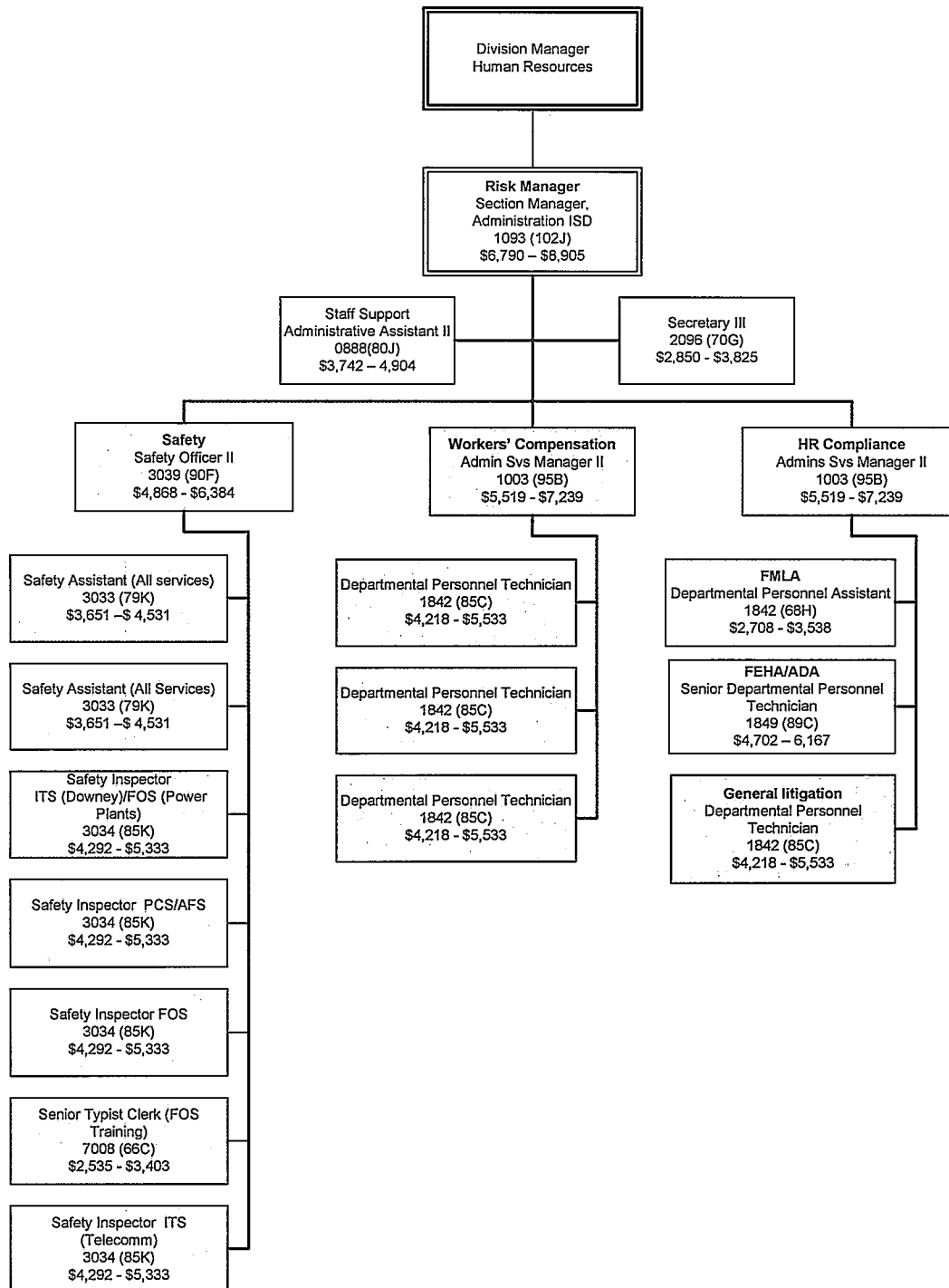
1. **Develop and implement recommended organization structure.** Hire a competent DHS Risk Manager and assign responsibility and accountability for management of department-wide risk management activity (excluding patient safety and medical malpractice claim processes).
2. Develop short-term (0-3 months) and medium-term (3-12 months) project performance timeframe with measurable implementation objectives
3. Complete safety item salary classification study and budget/implement necessary changes to compensation structure. Include both patient safety/Joint Commission and environmental, health and safety responsibilities in the review.
4. Develop and implement standard risk management policies and procedures system-wide.
5. Conduct site-specific regulatory compliance assessments to determine current state of regulatory-required programs (CalOSHA and environmental).
6. Develop and implement a performance management/quality control process for site-specific risk management compliance.
7. Develop and implement programs to manage workers' compensation and liability claim costs issues.
8. Develop and implement periodic risk management reports to executive management, both at the sites and Health Services Administration.
9. Include appropriate risk management-related goals in executive management Management Appraisal and Performance Plan (MAPP) goals for next fiscal year, to include specific site executive management and senior staff.

Individuals Interviewed During the Study

Department/Section	Function	Employee
DHS/LAC+USC	Environmental, Health and Safety	Chi Fong
DHS/LAC+USC	Risk Management	Bonnie Bilitch
DHS/Harbor UCLA	Environmental, Health and Safety	Louise Flowers
DHS/Harbor UCLA	Environmental, Health and Safety	Calvin Kwan
DHS/Harbor UCLA	Risk Management	Nancy Lefcourt
DHS/Olive View	Environmental, Health and Safety	Frank Colbert
DHS/Olive View	Risk Management	Dr. Nina Park
DHS/Olive View	Risk Management	Paula Broussard
DHS/High Desert	Environmental, Health and Safety	Frank Colbert
DHS/Health Services Administration	Administration	Jim Jones
DHS/Health Services Administration	Administration	Ann Marinovich
DHS/Health Services Administration	Return-to-Work	Cathy O'Brien
DHS/Health Services Administration	Return-to-Work	Michelle Merino
DHS/Health Services Administration	Regulatory Compliance	Debbie Jackson
DHS/Health Services Administration	Regulatory Compliance	Cheryl Williams
DHS/Health Services Administration	Salary Classification	Harim Workman
HSA/Quality Improvement	Risk Management	Laura Sarff
HSA/Quality Improvement	Claims Management/CAPs	Elizabeth Baca
DHS/Health Services Administration	Environmental, Health and Safety	Marta Sheffield
Department of Public Health	Environmental, Health and Safety; Risk Management; Claims; and CAPs	Jim Day
Department of Public Works	Environmental, Health and Safety; Return-to-Work; Workers' Compensation	Jeff Howard
Department of Public Works	Environmental, Health and Safety	Jeff Bartizal
Department of Public Works	Liability Claims/CAPs	Allan Abramson
Internal Services Department	Risk Management	Mark Colton
Internal Services Department	Environmental, Health and Safety; Return-to-Work; Claims; and CAPs	Gretchen Pieper
Internal Services Department	Return-to-Work	Araceli Aranda
Chief Executive Office	Loss Control and Prevention	Steve NyBlom
Chief Executive Office	Loss Control and Prevention	Robert Chavez
Chief Executive Office	Workers' Compensation/TPA Management	Alex Rossi
Chief Executive Office	Return-to-Work	Cheryl Turkal
Sedgwick Claims Management	Claims Adjusting	Jerry Frick

Section Two: Internal Services Department

Current Organizational Structure for ISD



Functional Responsibilities

Function	Scope
<p>Risk Manager</p> <p>Section Manager, Administration ISD serves as Risk Management Coordinator. Division manager takes an active/daily role in executive level risk management.</p>	<ul style="list-style-type: none"> • Plan, lead, organize, and control department wide risk management program. • Manage staff. • Develop goals, objectives, and strategic plans for various risk management processes/programs. • Represent department for risk management issues. • Implement and manage risk management quality assurance processes within division and department. • Represent department at Claims Board meetings. • Responsible for cost allocation and allocation dispute resolution. • Corrective Action Plan development and management. • Coordinate property insurance and property inspection program. • Implement and manage departmental cost allocation and financial expenditure oversight programs. • Provide contract review and indemnification evaluations. • Implement and manage risk financing (working with CEO Risk Management Operations). • Implement and manage departmental Risk Management Inspector General functions. • Provide support and coordination of specific departmental risk management special projects. • Manage division budget.
Environmental, Health and Safety (EH&S)	<ul style="list-style-type: none"> • Develop and implement employee safety and health programs. • Ensure departmental compliance with CalOSHA/statutory requirements/IIPP. • Implement and manage programs to ensure OSHA 300 log/regulatory reporting. • Implement and manage environmental, health and safety inspection programs. • Implement and manage fleet safety (to include DOT and permittee driver) programs. • Implement and manage construction safety programs. • Implement and manage HAZMAT/hazardous waste management programs. • Implement and manage environmental compliance/permitting programs. • Implement and manage property loss prevention programs. • Implement and manage third party loss control programs. • Implement and manage environmental, health and safety, audit, and compliance programs. • Implement and manage accident/incident investigation programs. • Implement and manage risk control programs. • Manage quarterly facility inspection program. • Plan and coordinate regulatory site visit inspections (i.e., CalOSHA, etc.). • Development of job hazard analyses. • Conduct ergonomic evaluations. • Conduct required safety training; i.e., IIPP, forklift training, electric cart training, etc. • Develop and communicate statistical analysis of workers' compensation claims for quarterly presentation to executive management. • Respond to employee and management concerns/issues and emergencies. • Investigate potential hazards, make recommendations for abatement, and report findings. • Write and update safety programs, as necessary.
HR Compliance – Return-to-Work, FEHA, ADA, and Liability Claims	<ul style="list-style-type: none"> • Coordinate interactive process meetings (not related to workers' compensation issues). • FEHA compliance. • Ensure ADA compliance. • Respond to all requests for accommodation. • Maintain reasonable accommodation listing. • Respond to all FMLA requests. • Maintain FMLA listing. • Coordinate leave donation requests. • Schedule DOT physicals. • Schedule/track asbestos physicals.

Functional Responsibilities (Continued)

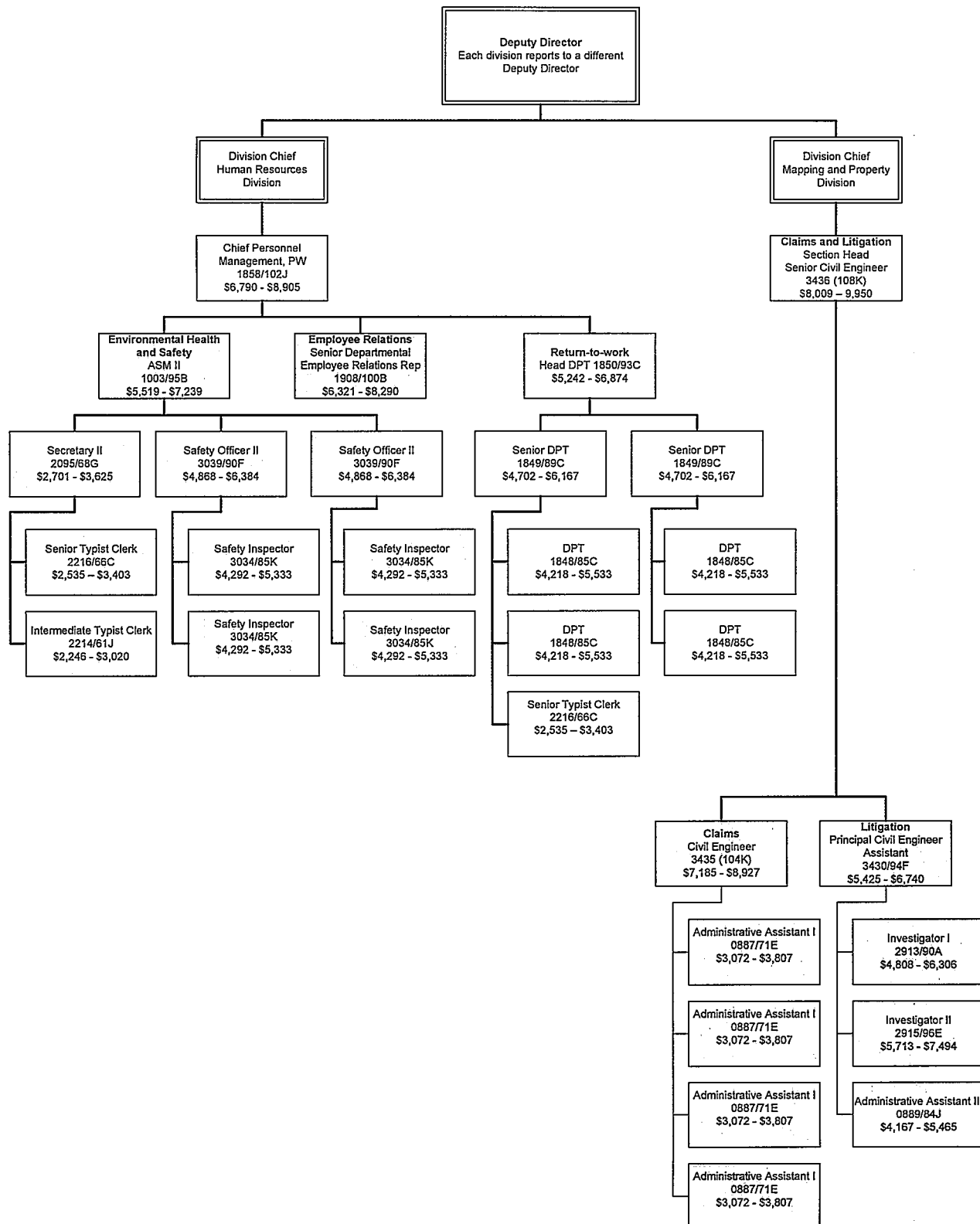
HR Compliance – Return-to-Work, FEHA, ADA, and Liability Claims (Continued)	<ul style="list-style-type: none"> • General liability (premise, third party and employment) claim management program oversight. • Automobile liability claim management program oversight. • Small and property claim management (including patient property). • Small Claims Court case management. • Attend and participate in roundtable and claim review meetings. • RMS coordination. • Liaison with County Counsel, CEO Risk Management, and TPAs.
Workers' Compensation Claims	<ul style="list-style-type: none"> • Provide workers' compensation claim management program oversight. • Serve as liaison for County Counsel, CEO, and TPA staff. • Provide quality assurance support for medical case management activity. • Provide workers' compensation claim consultation and training to departmental staff. • Return-to-work case management (non-industrial). • Return-to-work case management (industrial). • Coordinate interactive process meetings. • Implement and manage departmental cost allocation processes. • Provide claim settlement authority and oversight of claim adjusting process. • Provide workers' compensation staff training. • Implement and manage workers' compensation programs. • Liaison with facility staff related to workers' compensation program. • Provide cost containment direction. • Conduct interactive meetings. • Attend TPA file reviews. • Attend quarterly return-to-work seminars hosted by CEO. • Attend all Workers' Compensation Appeals Board hearings. • Maintain long-term absence listing. • Monitor Gen-Iris.

Additional program information

- Defined accountability and responsibility for risk management program activity.
- Defined risk management job descriptions and staff are hired based on expertise and skill set.
- Department has professional risk management staff.
- Department has good understanding of risk management costs.
- Department has clearly defined goals, objectives, and strategic plans related to risk management activity.
- Department has established risk management quality control programs.
- Documented evidence of executive management involvement in risk management issues.

Section Three: Department of Public Works

Current Organizational Structure for DPW



Functional Responsibilities

The department has two distinct units focusing on risk management. The primary risk management functions, including management of employment practice liability claims, are managed by the Human Resources Division, and the engineering-based liability claims are handled by a litigation and claims unit within the Mapping and Property Division (engineering section).

There are similarities related to the management of patient safety/medical malpractice claim functions within DHS and the engineering-based liability claim functions within DPW.

Human Resources Division

Function	Scope
Risk Manager Chief Personnel Management, PW Serves as departmental Risk Management Coordinator and provides Risk Manager-related functions <i>Note:</i> DPW has two Risk Management Coordinators	<ul style="list-style-type: none"> • Plan, lead, organize, and control department-wide risk management programs and manage staff. • Develop goals, objectives, and strategic plans for various risk management processes/programs. • Represent department for risk management issues. • Implement and manage risk management quality assurance processes within department and division. • Employment practices liability claim CAP development and management. • Provide support and coordination of specific departmental risk management special projects. • Manage division budget.
Environmental, Health and Safety (EH&S)	<ul style="list-style-type: none"> • Develop and implement employee safety and health programs. • Ensure departmental compliance with CalOSHA/statutory requirements/IIPP. • Implement and manage environmental, health and safety inspection programs. • Implement and manage fleet safety (to include DOT and permittee driver) programs (jointly done with DPW Fleet Services). • Implement and manage construction safety programs. • Implement and manage environmental, health and safety, audit, and compliance programs. • Implement and manage emergency preparedness and evacuation programs (jointly done with other DPW divisions). • Implement and manage accident/incident investigation programs. • Implement and manage risk control programs. • Manage quarterly facility inspection program. • Plan and coordinate site visit inspections. • Development of job hazard analyses and conduct ergonomic evaluations. • Conduct required safety training (i.e., IIPP, forklift training, electric cart training, etc.). • Respond to employee and management concerns/issues and emergencies. • Schedule DOT physicals. • Schedule/track asbestos physicals. • Investigate potential hazards, make recommendations for abatement, and report findings. • Draft and update safety programs, as necessary.
HR Compliance – Return-to-Work, FEHA, ADA, and Liability Claims	<ul style="list-style-type: none"> • Return-to-work case management (non-industrial). • Return-to-work case management (industrial). • Coordinate interactive process meetings. • Implement and manage programs to ensure OSHA 300 log/regulatory reporting. • Develop and communicate statistical analysis of workers' compensation claims for quarterly presentation to executive management. • Ensure ADA and FEHA compliance. • Respond to all requests for an accommodation. • Maintain reasonable accommodation listing.

Human Resources Division (Continued)

<p>HR Compliance – Return-to-Work, FEHA, ADA, and Liability Claims (Continued)</p>	<ul style="list-style-type: none"> • Provide workers' compensation claim management program oversight. • Serve as liaison for County Counsel, CEO, and TPAs. • Provide quality assurance support for medical case management activity. • Provide workers' compensation claim consultation and training to departmental staff. • Provide claim settlement authority and support of claim adjusting process. • Provide workers' compensation staff training. • Implement and manage workers' compensation programs. • Liaison with facility staff related to workers' compensation programs. • Conduct interactive meetings. • Attend TPA file reviews. • Attend quarterly return-to-work seminars hosted by CEO. • Attend Workers' Compensation Appeals Board hearings when requested by County Counsel or CEO. • Maintain long-term absent listing.
<p>Liability Claims</p>	<ul style="list-style-type: none"> • Coordination of employment practice liability claims. • Development of CAPs for employment practice liability claims. • Employment practices liability claim support. • Attend and participate in roundtable and liability claim reviews.

Additional program information

- Defined accountability and responsibility for risk management program activity.
- Defined risk management job descriptions and staff hired based on expertise and skill set.
- Department has professional risk management staff.
- Department has an established litigation steering committee.
- Department has good understanding of risk management costs.
- Department has clearly defined goals, objectives, and strategic plans related to risk management activity.
- Department has established risk management quality control programs.
- Documented evidence of executive management involvement in risk management issues.

Mapping and Property Division

Function	Scope
Risk Manager – Division Chief Mapping and Property Division serves as departmental Risk Management Coordinator and provides Risk Manager-related functions	<ul style="list-style-type: none"> • Manage staff. • Develop goals, objectives, and strategic plans for various liability claim processes/programs. • Represent department for liability claim issues. • Implement and manage liability claim quality assurance processes within department and division. • Represent department at Claims Board meetings. • Responsible for liability claim cost allocation and allocation dispute resolution. • Liability claim Corrective Action Plan development and management.
Liability Claims	<ul style="list-style-type: none"> • Coordinate Monthly Litigation Review Committee meeting. • Provide general liability (premise, third party, etc.) claim management program oversight. • Provide automobile liability claim management program oversight. • Provide small and property claim management oversight. • Implement and manage processes to ensure Small Claims Court case management. • Provide liability claim consultation and training to departmental staff. • Coordination of RMIS. • Serve as liaison with County Counsel, CEO, and TPA staff. • Represent department at Claims Board meetings. • Attend and participate in roundtable and liability claim reviews. • Responsible for cost allocation and allocation dispute resolution. • Provide periodic loss reports to executive management.

Section Four: Comparison of Risk Management Functions to Non-County Health Services-Related Organizations

This process is currently under development. The following organizations have been contacted and the CEO is waiting for material outlining risk management/environmental, health and safety functions, scope, and staffing.

Information Gathered to Date

Company	Risk Management	Environmental, Health and Safety	Comment
Organization A	<ul style="list-style-type: none"> Risk managers at the site, regional and corporate levels. Established procedures and policies. Risk managers manage medical malpractice, general, and automobile liability claims. 	<ul style="list-style-type: none"> Environmental, health and safety professionals at the site, regional and corporate levels. Established procedures and policies, including Injury and Illness Prevention plans. Environmental, health and safety professionals deal primarily with occupational safety and health issues, with a small amount of patient safety responsibility. System has defined staffing ratios based on size of location and size of region. Require degreed environmental, safety and health professionals for majority of postings. 	Will not disclose salary information of staffing levels.
Organization B	<ul style="list-style-type: none"> Company has a Vice President of Business Operations who reports to an executive committee. Risk managers at the site, at regional and corporate levels. Established procedures and policies. Risk managers manage medical malpractice, general, and automobile liability claims. Risk management unit includes environmental, health and safety, liability, and workers' compensation claims. 	<ul style="list-style-type: none"> Environmental, health and safety professionals at the site, at regional and corporate levels. Established procedures and policies, including Injury and Illness Prevention plans. Environmental, health and safety professionals deal primarily with occupational safety and health issues, with a small amount of patient safety responsibility. System has defined staffing ratios based on size of location and size of region. Environmental, health and safety function reports to the Vice President of Business Operations. 	<p>Strong workers' compensation management program. For an operation >30,000 employees they spend >\$10M in annual workers' compensation cost.</p> <p>Senior risk management position is a Vice President (salary considerably greater than \$100K). Each function has a corporate director with salary >\$100K.</p>
Organization C¹			Will not disclose salary information or staffing levels.
Organization D¹			Will not disclose salary information or staffing levels.

1. Data generation is currently underway.

In addition, the study included a review of the 2007 Management Compensation Report (effective July 1, 2007), which outlines the salary ranges for healthcare safety and risk management professionals within the State of California. According to the survey, safety and risk management professionals salary range, as listed below.

Item 2217 Head of Risk Management¹

Total compensation for a multiple site operation:

10 th percentile.....	\$99,541
50 th percentile.....	\$126,880
90 th percentile.....	\$167,040
Wtd Average.....	\$128,953

Item 2211 Head of Safety¹

Total compensation for a multiple site operation:

10 th percentile.....	\$74,484
50 th percentile.....	\$103,796
90 th percentile.....	\$132,493
Wtd Average.....	\$102,950

1. Salary data not available for "system" level responsibility. System level responsibility is defined as having a greater level of responsibility than a multiple site operation, which is closer aligned to the roles and responsibilities required for the management of the Department of Health Services.

For questions concerning this report, please contact John Sterritt at CEO Risk Management (213-351-5357).